



Reprinted
March 2, 2006

ENGROSSED SENATE BILL No. 1

DIGEST OF SB 1 (Updated March 1, 2006 6:32 pm - DI 73)

Citations Affected: IC 6-1.1; IC 6-3.5; IC 8-22; IC 36-2; IC 36-3; IC 36-6; IC 36-8; noncode.

Synopsis: Marion County government matters. Provides that after June 30, 2006: (1) a relative of a member of a board, committee, council, or commission or head of a department, an office, or an institution of a Marion County political subdivision may not be employed by the board, committee, council, commission, department, office, or institution or receive compensation as an employee from an appropriation; and (2) an individual may not be in a direct supervisory or subordinate relationship with a relative. Provides that compliance with the statute does not require the termination or reassignment of an employee of a political subdivision from a position held by the employee on and continuously after June 30, 2006. Consolidates the fire departments of the townships, fire protection territories, and the airport authority in Marion County into the fire department of the
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Effective: Upon passage; July 1, 2006.

**Young R Michael, Miller, Merritt,
Waltz, Delph**
(HOUSE SPONSOR — BUCK)

January 9, 2006, read first time and referred to Committee on Governmental Affairs and Interstate Cooperation.

January 26, 2006, amended, reported favorably — Do Pass.

January 31, 2006, read second time, ordered engrossed. Engrossed.

February 2, 2006, read third time, passed. Yeas 31, nays 19.

HOUSE ACTION

February 7, 2006, read first time and referred to Committee on Government and Regulatory Reform.

February 23, 2006, amended, reported — Do Pass

March 1, 2006, read second time, amended, ordered engrossed.

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consolidated city if: (1) the legislative body of the consolidated city adopts an ordinance before August 1, 2006, to consolidate the fire departments and the mayor of the consolidated city approves the ordinance; and (2) a transition plan is adopted before January 1, 2008, by ordinance of the legislative body of the consolidated city and the mayor approves the ordinance. Provides that if the consolidation is approved, it shall be effective January 1, 2008. Specifies, however, that if the legislative body does not adopt a transition plan until after December 31, 2007, the effective date of the consolidation is not January 1, 2008, but is instead the date specified by the legislative body in the ordinance adopting the transition plan. Establishes a procedure for the fire department of an excluded city or town to be consolidated into the fire department of a consolidated city if the legislative body of the excluded city or town and the city-county legislative body adopt substantially similar ordinances authorizing the consolidation. Requires the fire department of a consolidated city to establish, operate, and maintain emergency ambulance services in the fire district served by the consolidated fire department. Establishes the metropolitan board of fire commissioners to: (1) prepare a transition plan; (2) approve all equipment relocations, purchases of more than \$50,000, and all station closings; (3) oversee asset reallocations; (4) nominate two candidates for fire chief of the consolidated department (the mayor also nominates a candidate); (5) appoint a member to the merit commission; (6) advise the fire chief regarding the operations of the consolidated department; and (7) perform other tasks. Provides that after review by the board, the mayor shall select the fire chief from the nominated candidates. Provides that if a consolidated fire department is established, the consolidated fire department taxing district ("taxing district") is established in Marion County. Specifies that the taxing district consists of all territory in the county except territory of an excluded city that has not consolidated its fire department. Provides that balances in a township's firefighting cumulative building and equipment fund on January 1, 2008, shall not be transferred to the consolidated city but shall be transferred first to a dedicated township fund and used to pay pension obligations under the 1937 firefighters' pension fund (if the township has any unfunded liability for that pension fund) and if any balance remains after that transfer the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the township before January 1, 2008. Specifies that the Emergency Services Education Center in Wayne Township and any related debt shall not be transferred to the consolidated city. Provides that during the first four years after consolidation, the total property tax rate imposed by the taxing district in a township may not exceed the property tax rate imposed in the township for fire protection in the year preceding consolidation. Provides that the balances in any rainy day funds established by a township for any purpose are not transferred to the consolidated city. Provides that the taxing district shall levy a property tax within the territory of the taxing district to pay for the following: (1) Providing fire protection services and emergency ambulance services within the territory of the taxing district and providing for the operation of the consolidated fire department. (2) Providing any equipment, buildings, or land necessary for the consolidated fire department and for providing fire protection services and emergency ambulance services within the territory of the taxing district. Provides that the tax revenue shall be deposited in a consolidated fire department fund. Specifies that the city controller shall administer the fund and is responsible for the issuance of warrants for payments from the fund. Provides that property taxes to fund the pension obligation for members of the 1937 firefighters fund who are employees or retired employees of the consolidated city when the consolidated fire department is established may be levied only by the existing fire special service district within the territory of the fire

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special service district and may not be levied by the taxing district. Establishes the initial maximum levy for the taxing district. Reduces the maximum levies of entities that are consolidated into the consolidated fire department. Provides that the property tax levy limits do not apply to property taxes imposed by the consolidated fire department taxing district to pay or fund: (1) any indebtedness of a township assumed by the consolidated city; and (2) any indebtedness issued by the consolidated city after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services. Provides that a portion of townships' county option income tax distributive shares are instead paid to the consolidated fire department taxing district. Establishes a firefighting cumulative building and equipment fund for the consolidated fire department. Specifies that in the case of a township or an excluded city that consolidates its fire department: (1) the liability for the payment of pension obligations under the 1937 firefighters' pension fund who are employees or retired employees of the township or excluded city at the time of the consolidation remains with the township or excluded city; and (2) property taxes to fund that pension obligation may be imposed by the township or excluded city only within the township or excluded city. Creates a township review board in Marion County to review and make recommendations regarding: (1) township duties and the joint provision of services; and (2) fire protection services provided in the county. Provides that the board is abolished December 31, 2008. Provides that a full-time, fully paid firefighter of a fire department, fire protection district, or fire protection territory consolidated into the Indianapolis fire department is entitled to be employed as a full-time, fully paid firefighter of the Indianapolis fire department at not less than the same merit or permanent rank or an equivalent merit or permanent rank that the firefighter held on the later of the effective date of the bill or the date the firefighter fills a vacant position through a merit testing process. Provides that the Marion County auditor (rather than the Indianapolis city controller) must record certain information concerning warrants issued by the auditor. Provides that the signature of the Marion County auditor may not be signed on, imprinted on, or affixed to a warrant for the payment of county or city funds without the approval of the auditor. Specifies that the Marion County auditor may take certain actions assigned by law to the auditor without the approval of the Indianapolis city controller. Specifies that the Marion County auditor is responsible for payroll functions and duties for all city and county departments, offices, and agencies, and the Indianapolis city controller may not perform these functions and duties, except as requested by the auditor. Provides that each elected county officer is responsible for establishing the human resources policies and personnel policies that apply to employees of the county officer, and that these policies may be established without the approval of any other person, except for city-county council approval of compensation of employees. (The introduced version of this bill was prepared by the Marion County consolidation study commission.)

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Reprinted
March 2, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 1

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-18.5-21 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) The ad valorem**
4 **property tax levy limits imposed by this chapter do not apply to ad**
5 **valorem property taxes imposed by the consolidated fire**
6 **department taxing district established in IC 36-3-1-6.4 to pay or**
7 **fund the following:**
8 (1) Any indebtedness of a township or an excluded city
9 assumed, defeased, paid, or refunded by the consolidated city
10 under IC 36-3-1-6.1 or IC 36-3-1-6.3.
11 (2) Any indebtedness issued by the consolidated city, after the
12 consolidated fire department is established, to pay for fire
13 protection services, emergency services, or equipment,
14 buildings, or land related to fire protection services or
15 emergency medical services.

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SECTION 2. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	\$1,898,145
Decatur Township	\$164,103
Franklin Township	\$173,934
Lawrence Township	\$890,086
Perry Township	\$854,544
Pike Township	\$1,410,375
Warren Township	\$1,027,721
Washington Township	\$1,017,890
Wayne Township	\$988,397
Lawrence-City	\$648,848
Beech Grove	\$639,017
Southport	\$18,906
Speedway	\$546,000

(3) For each year after 1995, calculate the total amount of revenues

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that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under

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IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(c) Except with respect to Center Township, if a consolidated fire department is established under IC 36-3-1-6.1, sixty-six percent (66%) of the revenues to be distributed as distributive shares during each month to the townships listed in this section are to be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(d) If Lawrence, Beech Grove, Southport, or Speedway consolidates its fire department into the consolidated fire department under IC 36-3-1-6.3, commencing with the calendar year following that consolidation and for each year thereafter, the monthly distributive share of county option income taxes distributed to Lawrence, Beech Grove, Southport, or Speedway, as applicable, shall be reduced by a percentage set forth in the ordinances adopted under IC 36-3-1-6.3, and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

SECTION 3. IC 8-22-3-11.6, AS ADDED BY P.L.227-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) If:

(1) the legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances providing that adopts an ordinance under IC 36-3-1-6.1 providing that:

(A) the fire department of the airport authority is consolidated into the fire department of the consolidated city created by IC 36-3-1-6.1; and that

(B) the fire department of the consolidated city shall provide fire protection services for the airport authority; if ordinances are

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adopted under this section;

and the executive of the consolidated city approves the ordinance; and

(2) the legislative body of the consolidated city adopts an ordinance under IC 36-3-1-6.1 adopting the transition plan and the executive of the consolidated city approves the ordinance;

the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances: **January 1, 2008.**

(c) The legislative body of the consolidated city and the governing body of the airport authority may adopt substantially similar ordinances **an ordinance under IC 36-3-1-5.1** providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city **created by IC 36-3-1-5.1**, and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. ~~If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances:~~

SECTION 4. IC 36-2-9.5-10, AS ADDED BY P.L.227-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The county auditor shall examine and settle all accounts and demands that are:

- (1) chargeable against the county or city; and
- (2) not otherwise provided for by statute.

(b) The county auditor shall issue warrants on the county or city treasury for:

- (1) sums of money settled and allowed by the county auditor;
- (2) sums of money settled and allowed by another official; or
- (3) settlements and allowances fixed by statute;

and shall make the warrants payable to the person entitled to payment. The warrants shall be numbered progressively, and the ~~controller~~ **county auditor** shall record the number, date, amount, payee, and purpose of issue of each warrant at the time of issuance.

SECTION 5. IC 36-2-9.5-13, AS ADDED BY P.L.227-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The county auditor is responsible for the issuance of warrants for payments from county and city funds. **The signature of the county auditor may not be signed on, imprinted on, or affixed to any warrant for the payment of county or city funds without the approval of the county auditor.**

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(b) The county auditor is responsible for:

- (1) accounting;
- (2) payroll, accounts payable, and accounts receivable;
- (3) revenue and tax distributions; and
- (4) maintenance of property records;

for all city and county departments, offices, and agencies.

(c) The county auditor may take actions necessary to carry out the functions under subsection (b) without the approval of the controller of the consolidated city.

SECTION 6. IC 36-3-1-6.1, AS ADDED BY P.L.227-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) ~~This section applies only in a county containing a consolidated city. If the requirements of subsection (g) are satisfied, The legislative body of the consolidated city may adopt an ordinance approved by the executive of the consolidated city to consolidate the fire departments of the following are consolidated into the fire department of a consolidated city (referred to as "the consolidated fire department"):~~

- (1) A township for which the consolidation is approved by the township legislative body and trustee and the legislative body and mayor of the located in a county having a consolidated city.
- (2) Any fire protection territory established under IC 36-8-19 that is located in a township described in subdivision (1): county having a consolidated city.
- (3) The territory in which an airport authority established for a consolidated city under IC 8-22-3 may provide fire protection services.

However, an ordinance may be adopted under this subsection only before August 1, 2006. Notwithstanding any other provision, an ordinance adopted under this subsection after July 31, 2006, is not effective.

(b) The legislative body of the consolidated city may not adopt an ordinance under subsection (a) unless the legislative body first:

- (1) holds a public hearing on the proposed consolidation; and
- (2) determines that:
 - (A) reasonable and adequate fire protection can be provided through the consolidation; and
 - (B) the consolidation is in the public interest.

(c) If the requirements of subsection (a) are satisfied, the metropolitan board of fire commissioners is established. The board consists of the following members:

- (1) The executive of the consolidated city, who shall serve as

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the board's chairperson.

(2) The nine (9) township trustees in the county containing a consolidated city. If a member serving under this subdivision ceases to be a township trustee, the new township trustee becomes a member of the board in place of the previous township trustee.

(3) Two (2) members of the legislative body of the consolidated city, who must be from different political parties, appointed by the president of the legislative body of the consolidated city.

At the board's first meeting, the members of the board shall elect a vice chairperson. Meetings of the board shall be called by the chairperson or by the vice chairperson and any two (2) other members. An affirmative vote of a majority of the members appointed to the board is required for the board to take final action. The members of the board may not receive a salary or per diem for participation on the board.

(d) The board established under subsection (c) shall prepare a transition plan to integrate the functions and personnel of the fire departments consolidated into the fire department of the consolidated city. If the board votes to adopt the transition plan, the board shall submit the plan to the legislative body of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

the fire department consolidation becomes effective January 1, 2008.

(e) The board established under subsection (c) shall conduct budget hearings and before August 1, 2007, submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval. If the board established under subsection (c) does not adopt a transition plan before August 1, 2007, the legislative body of the consolidated city may prepare a transition plan to consolidate the fire departments into the fire department of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

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the fire department consolidation becomes effective on January 1, 2008. However, notwithstanding any other statute, if the legislative body does not adopt a transition plan until after December 31, 2007, the effective date of the consolidation is not January 1, 2008, but is instead the date specified by the legislative body in the ordinance adopting the transition plan.

(f) Subject to subsection (g), beginning January 1, 2008, the board established under subsection (c) has the following duties and responsibilities:

(1) The board shall approve:

(A) station closings and equipment relocations; and

(B) a plan to integrate all merit positions into the consolidated fire department.

(2) The board shall oversee all assets of the consolidated fire department and monitor all reallocation of assets.

(3) The board shall approve all equipment purchases of more than fifty thousand dollars (\$50,000) for the consolidated fire department and all facility purchases for the consolidated fire department.

(4) The board shall nominate two (2) candidates for fire chief of the consolidated fire department. The mayor shall nominate a candidate for fire chief of the consolidated fire department. The board shall review the nominations and provide any comments concerning the nominations to the mayor. The mayor shall select a fire chief from the nominated candidates.

(5) The board shall appoint one (1) member to the merit commission of the consolidated fire department. This member:

(A) shall serve until the board expires on December 31, 2010; and

(B) shall replace a member appointed by the mayor of the consolidated city.

Notwithstanding any other law, the mayor shall designate which of the mayor's appointees to the merit board is removed from the merit board and replaced by the member appointed under this subdivision.

(6) The board shall conduct budget hearings and submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval.

(7) The board shall provide advice and make recommendations to the chief of the consolidated fire department regarding the operation of the consolidated fire department and the provision of emergency medical services.

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(8) The board shall review labor agreements assumed or to be assumed by the consolidated city and make recommendations concerning labor agreements needed to integrate firefighters from all townships into the consolidated fire department.

(9) The board is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3.

(10) The board shall meet at least once each month.

(g) The board expires December 31, 2010. Upon expiration of the board, the duties and responsibilities set forth in subsection (f) are transferred to the officer of the consolidated city that had the duty or responsibility for the fire department of the consolidated city before the effective date of the consolidation.

(b) If the requirements of subsection (g) are satisfied, (h) Except as provided in section 6.3 of this chapter, if a consolidated fire department is established under this section the consolidated fire department shall provide fire protection services within an entity described in subsection (a)(1) or (a)(2) in which the requirements of subsection (g) are satisfied the consolidated fire department taxing district beginning on the date agreed to in the resolution of the township legislative body and the ordinance of the legislative body of the consolidated city. **January 1, 2008.**

(c) (i) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of the consolidated city, all of the property, equipment, records, rights, and contracts of the department departments consolidated into the fire department of the consolidated city are:

(1) transferred to; or

(2) assumed by;

the consolidated city on the effective date of the consolidation. However, real property other than real property used as a fire station may be transferred only on terms mutually agreed to by the legislative body and mayor of the consolidated city and the trustee and legislative body of the township in which that real property is located. **January 1, 2008. In the case of a building that was partially funded from sources other than taxes imposed for fire protection purposes, only that portion of the building that was funded from taxes imposed for fire protection purposes and that is used by the township for fire protection purposes shall be transferred to the consolidated city. Any balance in a township's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before January 1, 2008, shall not be transferred**

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to the consolidated city but shall be transferred first to a dedicated township fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the township has any unfunded liability for pension obligations for township firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the township before January 1, 2008. However, if a township has not established another cumulative fund or rainy day fund before January 1, 2008, into which any remaining balance may be transferred, the remaining balance shall instead be transferred to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund. The balances in any rainy day funds established by a township for any purpose are not transferred to the consolidated city. The Emergency Services Education Center in Wayne Township shall remain the property of Wayne Township. The Emergency Services Education Center and any debt related to the Emergency Services Education Center shall not be transferred to the consolidated city.

(d) (j) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of the consolidated city, the employees of the fire department consolidated into the fire department of the consolidated city cease employment with the department of the entity listed in subsection (a) and become employees of the consolidated fire department on the effective date of the consolidation: January 1, 2008, or a later effective date of the consolidation as authorized under subsection (e). However, an employee may not become an employee of the consolidated fire department under this subsection unless the employee has completed a criminal history background check. The consolidated city shall assume all agreements with labor organizations that:

- (1) are in effect on the effective date of the consolidation; and
- (2) apply to employees of the department consolidated into the fire department of the consolidated city who become employees of the consolidated fire department.

(e) (k) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of a consolidated city, the indebtedness related to fire protection services incurred before the effective date of the consolidation by:

- (1) the entity; or

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(2) a building, holding, or leasing corporation on behalf of the entity;

whose fire department is consolidated into the consolidated fire department under subsection (a) shall ~~remain the debt of the entity and does not become and may not~~ be assumed, **defeased, paid, or refunded** by the consolidated city **and may be paid from property taxes imposed by the consolidated fire department taxing district.** Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness, the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness. However, the consolidated city may not assume all or any part of the indebtedness that will cause the consolidated city to exceed the limitations on the amount of indebtedness that the consolidated city may incur. The rights of the trustee and the bondholders with respect to any:

(1) bonds or other indebtedness; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking with respect to indebtedness;

remain the same, although the powers, duties, agreements, and liabilities of the entities listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all of those powers, duties, agreements, and liabilities. Indebtedness related to fire protection services that is incurred by the consolidated city before the effective date of the consolidation shall remain the debt of the consolidated city and property taxes levied to pay the debt may only be levied by the fire special service district.

~~(f) (I)~~ If the requirements of subsection (g) are satisfied and the fire department departments of an entity ~~the entities~~ listed in subsection (a) ~~is are~~ consolidated into the fire department of a consolidated city, the merit board and the merit system of the fire department departments that ~~is are~~ consolidated are dissolved on the effective date of the consolidation, and the duties of the merit boards are transferred to and assumed by the merit board for the consolidated fire department on the effective date of the consolidation.

(g) A township legislative body, after approval by the township trustee, may adopt a resolution approving the consolidation of the township's fire department with the fire department of the consolidated city. A township legislative body may adopt a resolution under this subsection only after the township legislative body has held a public

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hearing concerning the proposed consolidation. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1. If the township legislative body has adopted a resolution under this subsection, the township legislative body shall, after approval from the township trustee, forward the resolution to the legislative body of the consolidated city. If such a resolution is forwarded to the legislative body of the consolidated city, the legislative body of the consolidated city may adopt an ordinance, approved by the mayor of the consolidated city, approving the consolidation of the fire department of the township into the fire department of the consolidated city and the requirements of this subsection are satisfied. The consolidation shall take effect on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

~~(h)~~ **(m)** The following apply if the requirements of subsection (g) are satisfied: **fire departments of the entities listed in subsection (a) are consolidated into the fire department of a consolidated city:**

~~(1)~~ The consolidation of the fire department of that township is effective on the date agreed to by the township legislative body in the resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

~~(2)~~ **(1)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1977 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section;

remains a member of the 1977 fund without being required to meet the requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter shall receive credit for any service as a member of the 1977 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-8.

~~(3)~~ **(2)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1937 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section;

remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the consolidation to determine the firefighter's eligibility for benefits

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under IC 36-8-7.

(4) For property taxes first due and payable in the year in which the consolidation is effective, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(A) is increased for the consolidated city by an amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services by the township whose fire department is consolidated into the fire department of the consolidated city under this section; and

(B) is reduced for the township whose fire department is consolidated into the fire department of the consolidated city under this section by the amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services for the township.

(5) The amount levied in the year preceding the year in which the consolidation is effective by the township whose fire department is consolidated into the fire department of the consolidated city for the township's cumulative building and equipment fund for fire protection and related services is transferred on the effective date of the consolidation to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established. The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and related services.

(6) **(3)** The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the **township entities listed in subsection (a)** are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively. Notwithstanding any other provision, the legislative body of the consolidated city may adopt an ordinance to adjust the membership of the consolidated city's local board to reflect the consolidation.

(7) The consolidated city may levy property taxes within the consolidated city's maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the

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operation of the consolidated fire department. However, property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who were employees of the consolidated city at the time of the consolidation may be levied only by the fire special service district within the fire special service district. The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters' pension and disability fund who were members of the fire department of the consolidated city on the effective date of the consolidation may be levied only by the fire special service district within the fire special service district. Property taxes to fund the pension obligation for members of the 1937 firefighters fund who were not members of the fire department of the consolidated city on the effective date of the consolidation and members of the 1977 police officers' and firefighters' pension and disability fund who were not members of the fire department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the city's maximum permissible ad valorem property tax levy. However, these taxes may be levied only within the fire special service district and any townships that have consolidated fire departments under this section.

(8) (4) The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year in which the consolidation is effective and **for before March 1 in each of** the following two (2) years, to determine:

(A) the amount of any cost savings, operational efficiencies, or improved service levels; and

(B) any tax shifts among taxpayers;

that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 7. IC 36-3-1-6.2, AS ADDED BY P.L.227-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.2. (a) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated city, through the consolidated fire department, shall after the consolidation establish, operate, and maintain emergency ambulance services (as

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defined in IC 16-18-2-107) in the fire special service district and in those townships in the county that are consolidated under section 6.1 of this chapter.

(b) This section does not prohibit the providing of emergency ambulance services under an interlocal agreement under IC 36-1-7.

SECTION 8. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.3. (a) A consolidated fire department may not provide fire protection services for:**

(1) an excluded city; or

(2) a fire protection territory for which an excluded city is a provider unit (as defined in IC 36-8-19-3);
unless the fire protection services are provided under an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.

(b) For the consolidated fire department to provide fire protection services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:

(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing the consolidation of the fire department of the excluded city into the consolidated fire department.

(2) The ordinances described in subdivision (1) must:

(A) specify the effective date of the consolidation; and

(B) set forth the conditions of the consolidation.

(c) After the effective date of the consolidation described in subsection (b), the consolidated fire department shall provide fire protection services within the territory of the excluded city.

(d) After the effective date of the consolidation described in subsection (b), all the property, equipment, records, rights, and contracts of the fire department of the excluded city are transferred to and assumed by the consolidated city. Any balance in an excluded city's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before the effective date of the consolidation shall not be transferred to the consolidated city but shall be transferred first to a dedicated city fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the excluded city has any unfunded liability for pension obligations for its firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day

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1 fund established by the excluded city before the effective date of
 2 the consolidation. However, if the excluded city has not established
 3 another cumulative fund or rainy day fund before the effective
 4 date of the consolidation into which any remaining balance may be
 5 transferred, the remaining balance shall instead be transferred to
 6 the consolidated fire department taxing district and deposited in
 7 the consolidated fire department taxing district fund. The balances
 8 in any rainy day funds established by an excluded city for any
 9 purpose are not transferred to the consolidated city.

10 (e) After the effective date of the consolidation described in
 11 subsection (b), the employees of the fire department of the excluded
 12 city cease employment with the excluded city and become
 13 employees of the consolidated fire department. These employees
 14 are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5
 15 upon becoming employees of the consolidated fire department. The
 16 consolidated city shall assume all agreements with labor
 17 organizations that:

18 (1) are in effect after the effective date of the consolidation
 19 described in subsection (b); and

20 (2) apply to employees of the fire department of the excluded
 21 city who become employees of the consolidated fire
 22 department.

23 (f) Except as provided in subsection (h), the consolidated city
 24 shall assume, defease, pay, or refund all indebtedness related to fire
 25 protection services incurred before the effective date of the
 26 consolidation described in subsection (b) by:

27 (1) an excluded city; or

28 (2) a building, holding, or leasing corporation on behalf of an
 29 excluded city;

30 whose fire department is consolidated into the consolidated fire
 31 department under subsection (b).

32 (g) Notwithstanding any other law, to assume, defease, pay, or
 33 refund all or a part of the indebtedness described in subsection (f),
 34 the consolidated city is not required to comply with any other
 35 statutory procedures or approvals that apply when a unit incurs
 36 indebtedness.

37 (h) Notwithstanding subsections (f) and (g), the consolidated city
 38 may not assume all or a part of the indebtedness described in
 39 subsection (f) that will cause the consolidated city to exceed the
 40 limitations on the amount of indebtedness that the consolidated city
 41 may incur.

42 (i) The rights of the trustee and the bondholders with respect to

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any:

(1) indebtedness or bonds; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in subsection (f);

remain the same, although the powers, duties, agreements, and liabilities of the departments listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all those powers, duties, agreements, and liabilities.

(j) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the excluded city are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively.

(k) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the merit board and merit system of the excluded city's fire department are dissolved, and the duties of the excluded city's merit board are transferred to and assumed by the merit board for the consolidated fire department.

(l) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), commencing with the calendar year following consolidation and for each year thereafter, the excluded city's monthly distributive share of county option income tax revenues distributed under IC 6-3.5-6-18.5 shall be reduced by a percentage set forth in the ordinances adopted under subsection (b), and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(m) If an excluded city consolidates its fire department into the consolidated fire department under subsection (b) before December 31, 2010, the excluded city shall appoint one (1) representative to the metropolitan board of fire commissioners as a full voting member.

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SECTION 9. IC 36-3-1-6.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.4. (a) This section applies only to a county having a consolidated city and only if a consolidated fire department is established in the county under section 6.1 of this chapter.**

(b) As used in this section, "taxing district" refers to the consolidated fire department taxing district established in subsection (c).

(c) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated fire department taxing district is established in the county. The taxing district consists of all territory in the county except territory of an excluded city that has not consolidated its fire department under section 6.3 of this chapter.

(d) Subject to subsection (f), the taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

(1) Providing fire protection services and emergency ambulance services within the territory of the taxing district and providing for the operation of the consolidated fire department.

(2) Providing any equipment, buildings, or land that is necessary for the consolidated fire department and for providing fire protection services and emergency ambulance services within the territory of the taxing district.

The property tax levy under this section is separate from other property tax levies of the consolidated city, and a separate maximum permissible property tax levy shall be collected for the taxing district. All revenue collected from the tax levied under this subsection shall be deposited in a consolidated fire department fund.

(e) Subject to subsection (f), the taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

(1) Any indebtedness assumed, defeased, paid, or refunded under section 6.1 or 6.3 of this chapter.

(2) Any indebtedness issued by the consolidated city, either before or after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services.

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1 The property tax levy collected under this subsection shall be
2 deposited in a consolidated fire department debt service fund.

3 (f) This subsection applies only during the first four (4) calendar
4 years that the taxing district levies a property tax under this
5 section. Notwithstanding any other statute, the total property tax
6 rate imposed by the taxing district for a year in those parts of the
7 taxing district that are within a particular township, but not within
8 the boundaries of the fire special service district, may not exceed
9 the total property tax rate imposed by the township (and a fire
10 protection territory in the township) for fire protection services
11 (including property taxes imposed for debt related to fire
12 protection services) in the year preceding the year in which the
13 taxing district first levies a property tax under this section.

14 (g) Money in the consolidated fire department fund shall be used
15 for the purposes described in subsection (d), and money in the
16 consolidated fire department debt service fund shall be used for the
17 purposes described in subsection (e). The controller of the
18 consolidated city shall administer the funds and is responsible for
19 the issuance of warrants for payments from the funds.

20 (h) Property taxes to fund the pension obligation under IC 36-8-7
21 for members of the 1937 firefighters fund who are employees or
22 retired employees of the consolidated city on January 1, 2008, may
23 be levied only by the fire special service district created by section
24 6 of this chapter within the territory of the fire special service
25 district and may not be levied by the taxing district.

26 (i) In the case of a township or an excluded city that consolidates
27 its fire department under this section:

28 (1) the liability for the payment of pension obligations under
29 IC 36-8-7 for members of the 1937 firefighters fund who are
30 employees or retired employees of the township or excluded
31 city at the time of the consolidation remains with the township
32 or excluded city; and

33 (2) property taxes to fund the township's or excluded city's
34 pension obligation described in subdivision (1) may be imposed
35 by the township or excluded city only within the township or
36 excluded city.

37 (j) For property taxes first due and payable in the first calendar
38 year in which property taxes are imposed under this section in the
39 taxing district, the maximum permissible ad valorem property tax
40 levy of the taxing district under IC 6-1.1-18.5 is equal to the sum
41 of:

42 (1) the sum of the property tax levies for taxes first due and

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payable in the preceding year for fire protection and related services (excluding debt) by each:

- (A) township;
- (B) airport authority; or
- (C) fire protection territory;

whose fire department is consolidated into the fire department of the consolidated city under section 6.1 of this chapter, excluding amounts paid for pension obligations under IC 36-8-7 for members of the 1937 firefighters fund;

(2) the amount paid from the consolidated city's property tax levy during the preceding year for fire protection and related services (excluding debt); and

(3) the amount paid from the fire special service district's property tax levy during the preceding year for fire protection and related services, excluding amounts paid from the fire special service district's property tax levy to pay the consolidated city's pension obligation under IC 36-8-7 for members of the 1937 firefighters' pension fund.

However, the department of local government finance shall adjust any budgets, tax rates, and tax levies of the consolidated city, townships in the county, the taxing district, excluded cities that have consolidated fire departments under section 6.3 of this chapter, and the airport authority as necessary to reflect the establishment of a consolidated fire department.

(k) For property taxes first due and payable in the first calendar year in which property taxes are imposed under this section in the taxing district, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(1) is decreased for each township, the airport authority, and any fire protection territory by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (j)(1) from the township, airport authority, or fire protection territory;

(2) is decreased for the consolidated city by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (j)(2); and

(3) is decreased for the fire special service district by an amount equal to the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (j)(3).

(l) The maximum levy for a consolidated city is increased for property taxes first due and payable in the year that property taxes

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are first imposed under this section and each subsequent calendar year by an amount equal to the lesser of:

(1) the difference between:

(A) the maximum levy for the current year for the consolidated city's fire special service district created under IC 36-3-1-6; and

(B) the amount levied for the current year for the fire special service district; or

(2) ten percent (10%) of the maximum levy for the consolidated city's fire special service district created under IC 36-3-1-6 for property taxes first due and payable in the year that property taxes are first imposed under this section.

SECTION 10. IC 36-3-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies if:

(1) a township fire department, fire protection district, or fire protection territory is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1; and

(2) the township fire department, fire protection district, or fire protection territory has at least one (1) full-time, fully paid firefighter.

(b) A firefighter described in subsection (a)(2) is entitled to employment as a full-time, fully paid firefighter of the fire department of the consolidated city at not less than:

(1) the same merit or permanent rank; or

(2) a rank in the merit system of the fire department of a consolidated city that is equivalent to the merit or permanent rank;

that the firefighter held on the later of the date this section was enacted into law or the date the firefighter fills a vacant position through a merit testing process. Ranks achieved after the passage of Senate Enrolled Act 1 of the 2006 regular session of the general assembly may be reviewed by the merit board to determine if those ranks were achieved through a bona fide merit process.

(c) The fire department of:

(1) the consolidated city; and

(2) the township, fire protection district, or fire protection territory;

may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the consolidation because of or to facilitate the consolidation, except as negotiated in an agreement between the

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consolidated city and the bargaining unit representing firefighters.

(d) This section does not prohibit a fire department, fire protection district, or fire protection territory from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending, reducing in rank, or discharging the firefighter.

(e) This section does not apply to a firefighter employed by the airport authority on the effective date of the consolidation.

SECTION 11. IC 36-3-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies after June 30, 2006. This section applies to all political subdivisions in Marion County.

(b) As used in this section, "relative" means:

- (1) a husband;
- (2) a wife;
- (3) a father;
- (4) a mother;
- (5) a son or son-in-law;
- (6) a daughter or daughter-in-law;
- (7) a brother;
- (8) a sister;
- (9) an aunt;
- (10) an uncle;
- (11) a niece; or
- (12) a nephew.

(c) An individual who is a relative of a member of a board, committee, council, or commission or the head of any office, department, or institution may not:

- (1) be employed in any position with the:
 - (A) board, committee, council, or commission of which the individual's relative is a member; or
 - (B) office, department, or institution that is headed by the individual's relative; or
- (2) receive any compensation as an employee for services from any appropriation by a political subdivision subject to this chapter.

(d) An individual may not be employed in a position in which the individual would have a direct supervisory or subordinate relationship with the individual's relative.

(e) This section does not apply to the following:

- (1) An individual employed in the same position with the

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board, committee, council, commission, office, department, or institution for at least twelve (12) consecutive months immediately before the appointment or election of the individual's relative as a member of the board, committee, council, or commission or head of the office, department, or institution.

(2) The employment of any law enforcement officer or firefighter who is under the jurisdiction of a merit commission established under IC 36-8-3.5.

(f) This section does not require the termination or reassignment of any employee of a political subdivision from any position held by that individual on and continuously after June 30, 2006.

SECTION 12. IC 36-3-5-2.7, AS ADDED BY P.L.227-2005, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.7. (a) The office of finance and management is established and is responsible for:

- (1) budgeting, except as provided in subsection (c);
- (2) financial reporting and audits;
- (3) purchasing; and
- (4) fixed assets;

for all city and county departments, offices, and agencies.

(b) The controller:

- (1) serves as the director of; and
- (2) may organize into divisions;

the office of finance and management.

(c) The office of finance and management is not responsible for the issuance of warrants for payments from county and city funds. **A person may not sign or imprint the signature of the county auditor on, or affix the signature of the county auditor to, any warrant for the payment of county or city funds without the approval of the county auditor.**

SECTION 13. IC 36-3-5-2.8, AS ADDED BY P.L.227-2005, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) Except as provided in subsections (b), ~~and~~ (c), **(d), and (e)**, the controller:

- (1) has all the powers; and
- (2) performs all the duties;

of the county auditor under law.

(b) The controller:

- (1) does not have the powers; and
- (2) may not perform the duties;

of the county auditor under IC 36-2-9.5 and IC 36-3-6, or as a member

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of the board of commissioners of the county under IC 36-3-3-10.

(c) Notwithstanding subsection (a) or any other law, the executive, with the approval of the legislative body, may allocate the duties of the county auditor, except the duties referred to in subsection (b), among:

- (1) the controller;
- (2) the county assessor;
- (3) the county auditor; or
- (4) other appropriate city or county officials.

(d) The county auditor is responsible for the payroll functions and duties for all city and county departments, offices, and agencies, and the controller may not perform these functions and duties, except as requested by the county auditor.

(e) The approval of the controller is not required for a human resources policy or personnel policy established under IC 36-3-7-6 by an elected county officer.

SECTION 14. IC 36-3-6-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.1. Notwithstanding IC 36-8-7, if a consolidated fire department is established under IC 36-3-1-6.1, the city-county legislative body shall adopt an ordinance to levy a property tax only within the fire special service district in the amount and at the rate necessary to produce sufficient revenue to pay amounts required to satisfy the consolidated city's 1937 firefighters' pension fund obligations under IC 36-8-7-14 for persons who are employees or retired employees of the consolidated city on January 1, 2008.**

SECTION 15. IC 36-3-7-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. Each elected county officer is responsible for establishing the human resources policies and personnel policies that apply to employees of the county officer. An elected county officer may establish these policies without the approval of any other person, except for approval of the county legislative body required under IC 36-3-6 for compensation of employees.**

SECTION 16. IC 36-3-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.1, in the name of:**

- (1) a township;**
- (2) an airport authority;**

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(3) a fire protection territory; or
 (4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory; to satisfy the requirements of IC 36-3-1-6.1.

(b) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.3 by:

- (1) an excluded city; or
- (2) a building, holding, or leasing corporation on behalf of an excluded city;

to satisfy the requirements of IC 36-3-1-6.3.

SECTION 17. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 8. Township Review Board

Sec. 1. This chapter applies only to a county containing a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the township review board established by section 3 of this chapter.

Sec. 3. The township review board is established.

Sec. 4. (a) The board consists of the following members:

- (1) The deputy mayor for public and neighborhood affairs of the consolidated city.
- (2) The township trustee of each of the nine (9) townships in the county.
- (3) Two (2) members, who must represent different political parties, appointed by the president of the city-county council.
- (4) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Marion County Alliance of Neighborhood Associations.
- (5) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Greater Indianapolis Chamber of Commerce.
- (6) One (1) member appointed by the secretary of the Indiana family and social services administration.

(b) An appointing authority must make appointments under subsection (a) not later than July 1, 2006.

(c) The deputy mayor for public and neighborhood affairs must call the first meeting of the board before August 1, 2006. At the first meeting of the board, the members of the board shall elect a chairperson.

(d) If a member ceases to be employed in the position or hold the

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office required for appointment to the board, the member ceases to be a member of the board, and the original appointing authority shall appoint an individual to serve on the board for the remainder of the board's term.

Sec. 5. (a) A majority of the members appointed to and serving on the board constitutes a quorum for a meeting of the board.

(b) The affirmative vote of a majority of the members appointed to and serving on the board is necessary for the board to take official action.

(c) The board shall meet on the call of the chairperson.

Sec. 6. Members of the board are not entitled to any salary or per diem for participation on the board.

Sec. 7. The board shall do the following:

(1) Conduct field studies and audits to determine how best to serve constituents throughout the county after the consolidation, joint performance, or transfer of city, county, and township functions, taking into account the efficiencies that may be achieved.

(2) Make recommendations concerning the number and location of community resource centers in the county.

(3) Identify city and township services that may be provided jointly or through interlocal cooperation agreements, and make recommendations concerning the joint location of those services with other federal, state, or local government agencies.

(4) Identify which of the services provided by the township trustees or recommended to be transferred to township trustees may be located in the community resource centers.

(5) Develop a community education plan to familiarize citizens with the provision of services by various methods throughout the county.

(6) Review functions performed in the county by township trustees under IC 36-6-4-3 and make recommendations concerning any statutory changes necessary to achieve greater efficiency and lower costs in the provision of those services.

(7) Identify any services performed by the state under IC 12-8 that should be transferred to or administered jointly with townships in the county.

(8) Review the operation of small claims courts in the county.

(9) Study and make recommendations concerning the role and composition of the existing township board structure.

(10) Provide a report before December 31 of each year to the

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legislative body of the county containing a consolidated city
and in an electronic format under IC 5-14-6 to the legislative
council.

Sec. 8. (a) The board is abolished December 31, 2008.

(b) This chapter expires January 1, 2009.

SECTION 18. IC 36-6-4-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The
executive may use the township's share of state, county, and township
tax revenues and federal revenue sharing funds for all categories of
community services, if these funds are appropriated for these services
by the township legislative body. The executive may use these funds
for both operating and capital expenditures.

(b) With the consent of the township legislative body, the executive
may contract with corporations for health and community services not
specifically provided by another governmental entity.

(c) **Except in a township located in a county having a
consolidated city after the effective date of the consolidation of fire
departments under IC 36-3-1-6.1**, the executive may contract with a
private person to provide regular or emergency ambulance service
within the township. The contract may provide for the imposition and
collection of fees for this service.

(d) **Except in a township located in a county having a
consolidated city after the effective date of the consolidation of fire
departments under IC 36-3-1-6.1**, the township legislative body may
adopt a resolution to provide for the imposition and collection of fees
for ambulance services provided by the township police or fire
department.

SECTION 19. IC 36-8-4.3-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter
applies to a police ~~or fire~~ special service district created by IC 36-3-1-6
**and to a consolidated fire department established under
IC 36-3-1-6.1.**

SECTION 20. IC 36-8-4.3-2 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A special
service district **or a consolidated fire department established under
IC 36-3-1-6.1** shall pay for the care of:

(1) a full-time, paid police officer who:

(A) suffers an injury; or

(B) contracts an illness;

during the performance of the officer's duty; or

(2) a full-time, paid firefighter who:

(A) suffers an injury; or

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- 1 (B) contracts an illness;
 2 during the performance of the firefighter's duty.
 3 (b) The special service district **or the consolidated fire department**
 4 **established under IC 36-3-1-6.1** shall pay for the following expenses
 5 incurred by a police officer or firefighter described in subsection (a):
 6 (1) Medical and surgical care.
 7 (2) Medicines and laboratory, curative, and palliative agents and
 8 means.
 9 (3) X-ray, diagnostic, and therapeutic service, including during
 10 the recovery period.
 11 (4) Hospital and special nursing care if the physician or surgeon
 12 in charge considers it necessary for proper recovery.
 13 (c) Expenditures required by subsection (a) shall be paid from the
 14 general fund of the special service district.
 15 (d) A special service district **or a consolidated fire department**
 16 **established under IC 36-3-1-6.1** that has paid for the care of a police
 17 officer or firefighter under subsection (a) has a cause of action for
 18 reimbursement of the amount paid under subsection (a) against any
 19 third party against whom the police officer or firefighter has a cause of
 20 action for an injury sustained because of, or an illness caused by, the
 21 third party. The special service district's **or consolidated fire**
 22 **department's** cause of action under this subsection is in addition to,
 23 and not in lieu of, the cause of action of the police officer or firefighter
 24 against the third party.
 25 SECTION 21. IC 36-8-8-1, AS AMENDED BY P.L.227-2005,
 26 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 1. This chapter applies to:
 28 (1) full-time police officers hired or rehired after April 30, 1977,
 29 in all municipalities, or who converted their benefits under
 30 IC 19-1-17.8-7 (repealed September 1, 1981);
 31 (2) full-time fully paid firefighters hired or rehired after April 30,
 32 1977, or who converted their benefits under IC 19-1-36.5-7
 33 (repealed September 1, 1981);
 34 (3) a police matron hired or rehired after April 30, 1977, and
 35 before July 1, 1996, who is a member of a police department in a
 36 second or third class city on March 31, 1996;
 37 (4) a park ranger who:
 38 (A) completed at least the number of weeks of training at the
 39 Indiana law enforcement academy or a comparable law
 40 enforcement academy in another state that were required at the
 41 time the park ranger attended the Indiana law enforcement
 42 academy or the law enforcement academy in another state;

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(B) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
 (C) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(5) a full-time fully paid firefighter who is covered by this chapter before the effective date of consolidation and becomes a member of the fire department of a consolidated city under IC 36-3-1-6.1 **provided that or IC 36-3-1-6.3; however,** the firefighter's service as a member of the fire department of a consolidated city is considered active service under this chapter;

(6) except as otherwise provided, a full-time fully paid firefighter who is hired or rehired after the effective date of the consolidation by a consolidated fire department established under IC 36-3-1-6.1;

(7) a full-time police officer who is covered by this chapter before the effective date of consolidation and becomes a member of the consolidated law enforcement department as part of the consolidation under IC 36-3-1-5.1, provided that the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter; and

(8) except as otherwise provided, a full-time police officer who is hired or rehired after the effective date of the consolidation by a consolidated law enforcement department established under IC 36-3-1-5.1;

except as provided by section 7 of this chapter.

SECTION 22. IC 36-8-8-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) As used in this chapter, "local board" means the following:

(1) For a unit that established a 1925 fund for its police officers, the local board described in IC 36-8-6-2.

(2) **Except as provided in subdivision (3),** for a unit that established a 1937 fund for its firefighters, the local board described in IC 36-8-7-3.

(3) For a unit that established a 1937 fund for its firefighters and consolidates its fire department into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:

(A) before the date the consolidation is effective, the local board described in IC 36-8-7-3; and

(B) on and after the date the consolidation is effective, the local board of the consolidated city established under IC 36-8-7-3.

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~~(3)~~ (4) For a consolidated city that established a 1953 fund for its police officers, the local board described in IC 36-8-7.5-2.

~~(4)~~ (5) For a unit, other than a consolidated city, that did not establish a 1925 fund for its police officers or a 1937 fund for its firefighters, the local board described in subsection (b) or (c).

(b) If a unit did not establish a 1925 fund for its police officers, a local board shall be composed in the same manner described in IC 36-8-6-2(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(c) **Except as provided in subsection (d)**, if a unit did not establish a 1937 fund for its firefighters, a local board shall be composed in the same manner described in IC 36-8-7-3(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(d) If a unit located in a county containing a consolidated city did not establish a 1937 fund for its firefighters and consolidates its fire department into the fire department of the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3, the local board is:

(1) before the effective date of the consolidation, the local board described in IC 36-8-7-3; and

(2) on and after the effective date of the consolidation, the local board of the consolidated city established under IC 36-8-7-3.

SECTION 23. IC 36-8-8-7, AS AMENDED BY P.L.227-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in subsections (d), (e), (f), (g), (h), (k), (l), **and (m): and (n):**

(1) a police officer; or

(2) a firefighter;

who is less than thirty-six (36) years of age and who passes the baseline statewide physical and mental examinations required under section 19 of this chapter shall be a member of the 1977 fund and is not a member of the 1925 fund, the 1937 fund, or the 1953 fund.

(b) A police officer or firefighter with service before May 1, 1977, who is hired or rehired after April 30, 1977, may receive credit under this chapter for service as a police officer or firefighter prior to entry into the 1977 fund if the employer who rehires the police officer or firefighter chooses to contribute to the 1977 fund the amount necessary to amortize the police officer's or firefighter's prior service liability over a period of not more than forty (40) years, the amount and the period to be determined by the PERF board. If the employer chooses to make

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the contributions, the police officer or firefighter is entitled to receive credit for the police officer's or firefighter's prior years of service without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and
- (3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) was rehired after April 30, 1977, but before February 1, 1979; and
- (4) was made, before February 1, 1979, a member of a 1925, 1937, or 1953 fund.

(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired by the police or fire department of a unit before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) is rehired by the police or fire department of another unit after December 31, 1981; and
- (4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

If the police officer or firefighter is made a member of a 1925, 1937, or 1953 fund, the police officer or firefighter is entitled to receive credit

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for all the police officer's or firefighter's years of service, including years before January 1, 1982.

(g) As used in this subsection, "emergency medical services" and "emergency medical technician" have the meanings set forth in IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

- (1) is employed by a unit that is participating in the 1977 fund;
- (2) was employed as an emergency medical technician by a political subdivision wholly or partially within the department's jurisdiction;
- (3) was a member of the public employees' retirement fund during the employment described in subdivision (2); and
- (4) ceased employment with the political subdivision and was hired by the unit's fire department due to the reorganization of emergency medical services within the department's jurisdiction;

shall participate in the 1977 fund. A firefighter who participates in the 1977 fund under this subsection is subject to sections 18 and 21 of this chapter.

(h) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the individual was appointed as:

- (1) a fire chief under a waiver under IC 36-8-4-6(c); or
- (2) a police chief under a waiver under IC 36-8-4-6.5(c);

unless the executive of the unit requests that the 1977 fund accept the individual in the 1977 fund and the individual previously was a member of the 1977 fund.

(i) A police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996, is a member of the 1977 fund.

(j) A park ranger who:

- (1) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
- (2) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
- (3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or firefighter:

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(1) who is a member of the 1977 fund before a consolidation under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

(2) whose employer is consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;** and

(3) who, after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or firefighter who:

(1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1, provides law enforcement services or fire protection services for an entity in a consolidated city;

(2) has the provision of those services consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city **under IC 36-3-1-5.1 or IC 36-3-1-6.1;** and

(3) after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l):

(1) may not be:

~~(1)~~ (A) retired for purposes of section 10 of this chapter; or

~~(2)~~ (B) disabled for purposes of section 12 of this chapter;

solely because of a change in employer under the consolidation; **and**

(2) shall receive credit for all years of service as a member of the 1977 fund before the consolidation described in subsection (k) or (l).

SECTION 24. IC 36-8-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to all units except counties. **However, this chapter applies to a county containing a consolidated city if a consolidated fire department is established under IC 36-3-1-6.1.**

SECTION 25. IC 36-8-14-4 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this chapter, the legislative body may levy a tax on all taxable property within the ~~taxing district unit, fire protection district, or territory of a consolidated fire department taxing district~~ in compliance with IC 6-1.1-41. The tax rate may not exceed three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of assessed valuation of property in the ~~taxing district unit, fire protection district, or consolidated fire department taxing district~~.

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as:

(1) the "building or remodeling, firefighting, and police radio equipment fund" in the case of a municipality **or consolidated fire department taxing district**; or ~~as~~

(2) the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.

(c) **Notwithstanding IC 6-1.1-41 or any other law, if a consolidated fire department is established under IC 36-3-1-6.1:**

(1) a cumulative building and equipment fund is established for the county containing a consolidated city; and

(2) the legislative body of the county containing a consolidated city may levy a tax under this chapter beginning in the calendar year following the year in which the consolidated fire department is established.

A tax levied under this chapter by a county containing a consolidated city may only be levied within the territory of the consolidated fire department taxing district.

SECTION 26. [EFFECTIVE UPON PASSAGE] The general assembly finds that the consolidated city and townships in the county containing a consolidated city are unique because of their size, population density, and absence of unincorporated areas.

SECTION 27. [EFFECTIVE UPON PASSAGE] The legislative services agency shall prepare legislation for introduction in the 2007 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.

SECTION 28. An emergency is declared for this act.

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SENATE MOTION

Madam President: I move that Senators Miller, Merritt, Waltz and Delph be added as coauthors of Senate Bill 1.

YOUNG R MICHAEL

 COMMITTEE REPORT

Madam President: The Senate Committee on Governmental Affairs and Interstate Cooperation, to which was referred Senate Bill No. 1, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 25.

Page 17, delete lines 22 through 42.

Page 18, delete lines 1 through 31.

Page 22, delete lines 33 through 42.

Delete pages 23 through 24.

Page 25, delete lines 1 through 19.

Page 31, line 7, after "Sec. 8." insert "(a)".

Page 31, between lines 21 and 22, begin a new paragraph and insert:

"(b) The board, by an affirmative vote of at least two-thirds (2/3) of the voting members, may determine that the units described in subsection (a) shall jointly perform, by entering into interlocal cooperation agreements under IC 36-1-7, additional functions not listed in subsection (a)."

Page 34, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 50. IC 36-3-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 10. Community Resource Center Transition Board

Sec. 1. This chapter applies only to a county containing a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the community resource center transition board established by section 3 of this chapter.

Sec. 3. The community resource center transition board is established.

Sec. 4. (a) The board consists of the following members:

(1) The deputy mayor for public and neighborhood affairs of

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the consolidated city, who shall serve as the board chairperson.

(2) The township trustee of each of the nine (9) townships in the county.

(3) One (1) member appointed by the president of the city-county council.

(4) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Marion County Alliance of Neighborhood Associations.

(5) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Greater Indianapolis Chamber of Commerce.

(6) One (1) member appointed by the secretary of the Indiana family and social services administration.

(b) If a member ceases to be employed in the position or hold the office required for appointment to the board, the member ceases to be a member of the board, and the original appointing authority shall appoint an individual to serve on the board for the remainder of the board's term.

Sec. 5. (a) A majority of the members appointed to and serving on the board constitutes a quorum for a meeting of the board.

(b) The affirmative vote of a majority of the members appointed to and serving on the board is necessary for the board to take official action.

(c) The board shall meet on the call of the chairperson.

Sec. 6. Each member of the board who is not an employee of the state or the consolidated city is entitled to a salary per diem equal to the per diem received by a city-county councilor for attendance at council committee meetings.

Sec. 7. The board shall do the following:

(1) Conduct field studies and audits to determine how best to serve constituents throughout the county after the consolidation, joint performance, or transfer of city, county, and township functions, taking into account the efficiencies that may be achieved.

(2) Identify city and township services that may be provided jointly, and make recommendations concerning the joint location of those services with other federal, state, or local government agencies.

(3) Make recommendations concerning the number and location of community resource centers in the county.

(4) Identify which of the services provided by the township

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trustees may be located in the community resource centers.

(5) Develop a community education plan to familiarize citizens with the provision of services by various methods throughout the county.

Sec. 8. (a) This chapter expires December 31, 2008.

(b) The city-county council may by resolution extend the term of the board."

Page 36, delete lines 10 through 42.

Delete pages 37 through 47.

Page 48, delete lines 1 through 6.

Page 49, line 2, after ";" insert "**and**".

Page 49, delete line 3.

Page 49, line 4, delete "(5)" and insert "**(4)**".

Page 49, delete line 33.

Page 49, run in lines 32 through 34.

Page 49, line 35, delete "(E)" and insert "**(D)**".

Page 50, delete line 2.

Page 50, run in lines 1 through 3.

Page 50, line 4, delete "(E)" and insert "**(D)**".

Page 50, delete lines 7 through 36.

Page 51, delete lines 7 through 25.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 1 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 7, Nays 4.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 1, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-18.5-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) The ad valorem property tax levy limits imposed by this chapter do not apply to ad valorem property taxes imposed by the consolidated fire**

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department taxing district established in IC 36-3-1-6.4 to pay or fund the following:

- (1) Any indebtedness of a township or an excluded city assumed, defeased, paid, or refunded by the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3.
- (2) Any indebtedness issued by the consolidated city, after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services.

SECTION 2. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

- (1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

- (2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	\$1,898,145
Decatur Township	\$164,103
Franklin Township	\$173,934
Lawrence Township	\$890,086

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Perry Township	\$854,544
Pike Township	\$1,410,375
Warren Township	\$1,027,721
Washington Township	\$1,017,890
Wayne Township	\$988,397
Lawrence-City	\$648,848
Beech Grove	\$639,017
Southport	\$18,906
Speedway	\$546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

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STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(c) Except with respect to Center Township, if a consolidated fire department is established under IC 36-3-1-6.1, sixty-six percent (66%) of the revenues to be distributed as distributive shares during each month to the townships listed in this section are to be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(d) If Lawrence, Beech Grove, Southport, or Speedway consolidates its fire department into the consolidated fire department under IC 36-3-1-6.3, commencing with the calendar year following that consolidation and for each year thereafter, the monthly distributive share of county option income taxes distributed to Lawrence, Beech Grove, Southport, or Speedway, as applicable, shall be reduced by a percentage set forth in the ordinances adopted under IC 36-3-1-6.3, and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

SECTION 3. IC 8-22-3-11.6, AS ADDED BY P.L.227-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

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(b) If:

(1) the legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances providing that~~ **adopts an ordinance under IC 36-3-1-6.1 providing that:**

(A) the fire department of the airport authority is consolidated into the fire department of the consolidated city **created by IC 36-3-1-6.1; and that**

(B) the fire department of the consolidated city shall provide fire protection services for the airport authority; ~~if ordinances are adopted under this section;~~

and the executive of the consolidated city approves the ordinance; and

(2) **the legislative body of the consolidated city adopts an ordinance under IC 36-3-1-6.1 adopting the transition plan and the executive of the consolidated city approves the ordinance;** the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances: **January 1, 2008.**

(c) The legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances~~ **an ordinance under IC 36-3-1-5.1** providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city **created by IC 36-3-1-5.1,** and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. ~~If ordinances are adopted under this section, the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances."~~

Delete pages 2 through 19.

Page 20, delete lines 1 through 29.

Page 21, delete lines 19 through 42, begin a new paragraph and insert:

"SECTION 6. IC 36-3-1-6.1, AS ADDED BY P.L.227-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) ~~This section applies only in a county containing a consolidated city. If the requirements of subsection (g) are satisfied, The legislative body of the consolidated city may adopt an ordinance approved by the executive of the consolidated city to consolidate~~ the fire departments of the following ~~are consolidated~~ into the fire department of a consolidated city (referred to as "the

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consolidated fire department"):

- (1) A township for which the consolidation is approved by the township legislative body and trustee and the legislative body and mayor of the located in a county having a consolidated city.
- (2) Any fire protection territory established under IC 36-8-19 that is located in a township described in subdivision (1): county having a consolidated city.
- (3) The territory in which an airport authority established for a consolidated city under IC 8-22-3 may provide fire protection services.

However, an ordinance may be adopted under this subsection only before August 1, 2006. Notwithstanding any other provision, an ordinance adopted under this subsection after July 31, 2006, is not effective.

(b) The legislative body of the consolidated city may not adopt an ordinance under subsection (a) unless the legislative body first:

- (1) holds a public hearing on the proposed consolidation; and
- (2) determines that:
 - (A) reasonable and adequate fire protection can be provided through the consolidation; and
 - (B) the consolidation is in the public interest.

(c) If the requirements of subsection (a) are satisfied, the metropolitan board of fire commissioners is established. The board consists of the following members:

- (1) The executive of the consolidated city, who shall serve as the board's chairperson.
- (2) The nine (9) township trustees in the county containing a consolidated city.
- (3) Two (2) members of the legislative body of the consolidated city, who must be from different political parties, appointed by the president of the legislative body of the consolidated city.

At the board's first meeting, the members of the board shall elect a vice chairperson. Meetings of the board shall be called by the chairperson or by the vice chairperson and any two (2) other members. An affirmative vote of a majority of the members appointed to the board is required for the board to take final action. The members of the board may not receive a salary or per diem for participation on the board.

(d) The board established under subsection (c) shall prepare a transition plan to integrate the functions and personnel of the fire departments consolidated into the fire department of the consolidated city. If the board votes to adopt the transition plan,

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the board shall submit the plan to the legislative body of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

the fire department consolidation becomes effective January 1, 2008.

(e) The board established under subsection (c) shall conduct budget hearings and before August 1, 2007, submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval. If the board established under subsection (c) does not adopt a transition plan before August 1, 2007, the legislative body of the consolidated city may prepare a transition plan to consolidate the fire departments into the fire department of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

the fire department consolidation becomes effective on January 1, 2008. However, notwithstanding any other statute, if the legislative body does not adopt a transition plan until after December 31, 2007, the effective date of the consolidation is not January 1, 2008, but is instead the date specified by the legislative body in the ordinance adopting the transition plan.

(f) Subject to subsection (g), beginning January 1, 2008, the board established under subsection (c) has the following duties and responsibilities:

(1) The board shall approve:

(A) station closings and equipment relocations; and

(B) a plan to integrate all merit positions into the consolidated fire department.

(2) The board shall oversee all assets of the consolidated fire department and monitor all reallocation of assets.

(3) The board shall appoint one (1) member to the merit commission of the consolidated fire department. This member:

(A) shall serve until the board expires on December 31, 2010; and

(B) shall replace a member appointed by the mayor of the

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consolidated city.

Notwithstanding any other law, the mayor shall designate which of the mayor's appointees to the merit board is removed from the merit board and replaced by the member appointed under this subdivision.

(4) The board shall conduct budget hearings and submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval.

(5) The board shall approve all equipment and facility purchases for the consolidated fire department.

(6) The board shall nominate three (3) candidates for fire chief of the consolidated fire department. The executive shall select a fire chief from the candidates nominated by the board.

(7) The board shall provide advice and make recommendations to the chief of the consolidated fire department regarding the operation of the consolidated fire department and the provision of emergency medical services.

(8) The board shall review labor agreements assumed or to be assumed by the consolidated city and make recommendations concerning labor agreements needed to integrate firefighters from all townships into the consolidated fire department.

(9) The board is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3.

(10) The board shall meet at least once each month.

(g) The board expires December 31, 2010. Upon expiration of the board, the duties and responsibilities set forth in subsection (f) revert to the government body or officer of the consolidated city that had the duty or responsibility before the effective date of the consolidation.

(b) If the requirements of subsection (g) are satisfied, (h) Except as provided in section 6.3 of this chapter, if a consolidated fire department is established under this section the consolidated fire department shall provide fire protection services within an entity described in subsection (a)(1) or (a)(2) in which the requirements of subsection (g) are satisfied the consolidated fire department taxing district beginning on the date agreed to in the resolution of the township legislative body and the ordinance of the legislative body of the consolidated city. **January 1, 2008.**

(c) (i) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of the consolidated city, all of the property, equipment, records, rights, and contracts of the

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~~department~~ **departments** consolidated into the fire department of the consolidated city are:

- (1) transferred to; or
- (2) assumed by;

the consolidated city on the effective date of the consolidation. However, real property other than real property used as a fire station may be transferred only on terms mutually agreed to by the legislative body and mayor of the consolidated city and the trustee and legislative body of the township in which that real property is located. **January 1, 2008. In the case of a building that was partially funded from sources other than taxes imposed for fire protection purposes, only that portion of the building that was funded from taxes imposed for fire protection purposes and that is used by the township for fire protection purposes shall be transferred to the consolidated city. Any balance in a township's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before January 1, 2008, shall not be transferred to the consolidated city but shall be transferred first to a dedicated township fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the township has any unfunded liability for pension obligations for township firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the township before January 1, 2008. However, if a township has not established another cumulative fund or rainy day fund before January 1, 2008, into which any remaining balance may be transferred, the remaining balance shall instead be transferred to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund. The balances in any rainy day funds established by a township for any purpose are not transferred to the consolidated city. The Emergency Services Education Center in Wayne Township shall remain the property of Wayne Township and shall not be transferred to the consolidated city.**

~~(d)~~ **(j)** If the requirements of subsection ~~(g)~~ are satisfied and the fire department **departments** of an entity ~~the entities~~ listed in subsection ~~(a)~~ **is are** consolidated into the fire department of the consolidated city, the employees of the fire department consolidated into the fire department of the consolidated city cease employment with the department of the entity listed in subsection (a) and become employees of the consolidated fire department on the effective date of the

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~~consolidation. January 1, 2008.~~ The consolidated city shall assume all agreements with labor organizations that:

- (1) are in effect on the effective date of the consolidation; and
- (2) apply to employees of the department consolidated into the fire department of the consolidated city who become employees of the consolidated fire department.

~~(e) (k) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities~~ listed in subsection (a) ~~is are~~ consolidated into the fire department of a consolidated city, the indebtedness related to fire protection services incurred before the effective date of the consolidation by:

- (1) the entity; or
- (2) a building, holding, or leasing corporation on behalf of the entity;

whose fire department is consolidated into the consolidated fire department under subsection (a) shall ~~remain the debt of the entity and does not become and may not be assumed, defeased, paid, or refunded by the consolidated city and may be paid from property taxes imposed by the consolidated fire department taxing district. Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness, the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness. However, the consolidated city may not assume all or any part of the indebtedness that will cause the consolidated city to exceed the limitations on the amount of indebtedness that the consolidated city may incur. The rights of the trustee and the bondholders with respect to any:~~

- (1) bonds or other indebtedness; or
- (2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking with respect to indebtedness;

remain the same, although the powers, duties, agreements, and liabilities of the entities listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all of those powers, duties, agreements, and liabilities. Indebtedness related to fire protection services that is incurred by the consolidated city before the effective date of the consolidation shall remain the debt of the consolidated city and property taxes levied to pay the debt may only be levied by the fire special service district.

~~(f) (l) If the requirements of subsection (g) are satisfied and the fire~~

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~~department departments~~ of an ~~entity~~ **the entities** listed in subsection (a) ~~is are~~ consolidated into the fire department of a consolidated city, the merit board and the merit system of the fire ~~department departments~~ that ~~is are~~ consolidated are dissolved on the effective date of the consolidation, and the duties of the merit boards are transferred to and assumed by the merit board for the consolidated fire department on the effective date of the consolidation.

(g) A township legislative body, after approval by the township trustee, may adopt a resolution approving the consolidation of the township's fire department with the fire department of the consolidated city. A township legislative body may adopt a resolution under this subsection only after the township legislative body has held a public hearing concerning the proposed consolidation. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1. If the township legislative body has adopted a resolution under this subsection, the township legislative body shall, after approval from the township trustee, forward the resolution to the legislative body of the consolidated city. If such a resolution is forwarded to the legislative body of the consolidated city, the legislative body of the consolidated city may adopt an ordinance, approved by the mayor of the consolidated city, approving the consolidation of the fire department of the township into the fire department of the consolidated city and the requirements of this subsection are satisfied. The consolidation shall take effect on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

~~(h)~~ **(m)** The following apply if the requirements of subsection (g) are satisfied: ~~fire departments of the entities listed in subsection (a) are consolidated into the fire department of a consolidated city:~~

(1) The consolidation of the fire department of that township is effective on the date agreed to by the township legislative body in the resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

(2) **(1)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1977 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section;

remains a member of the 1977 fund without being required to meet

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the requirements under IC 36-8-8-19 and IC 36-8-8-21. The firefighter shall receive credit for any service as a member of the 1977 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-8.

~~(3)~~ **(2)** Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1937 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section; remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-7.

~~(4)~~ For property taxes first due and payable in the year in which the consolidation is effective, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(A) is increased for the consolidated city by an amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services by the township whose fire department is consolidated into the fire department of the consolidated city under this section; and

(B) is reduced for the township whose fire department is consolidated into the fire department of the consolidated city under this section by the amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services for the township.

~~(5)~~ The amount levied in the year preceding the year in which the consolidation is effective by the township whose fire department is consolidated into the fire department of the consolidated city for the township's cumulative building and equipment fund for fire protection and related services is transferred on the effective date of the consolidation to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established. The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and related services.

~~(6)~~ **(3)** The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the township entities listed in subsection (a) are

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dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively. Notwithstanding any other provision, the legislative body of the consolidated city may adopt an ordinance to adjust the membership of the consolidated city's local board to reflect the consolidation.

(7) The consolidated city may levy property taxes within the consolidated city's maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the operation of the consolidated fire department. However, property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who were employees of the consolidated city at the time of the consolidation may be levied only by the fire special service district within the fire special service district. The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters' pension and disability fund who were members of the fire department of the consolidated city on the effective date of the consolidation may be levied only by the fire special service district within the fire special service district. Property taxes to fund the pension obligation for members of the 1937 firefighters fund who were not members of the fire department of the consolidated city on the effective date of the consolidation and members of the 1977 police officers' and firefighters' pension and disability fund who were not members of the fire department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the city's maximum permissible ad valorem property tax levy. However, these taxes may be levied only within the fire special service district and any townships that have consolidated fire departments under this section.

(8) (4) The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year in which the consolidation is effective and **for before March 1 in each** of the following two (2) years, to determine:

(A) the amount of any cost savings, operational efficiencies, or

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improved service levels; and

(B) any tax shifts among taxpayers;

that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 7. IC 36-3-1-6.2, AS ADDED BY P.L.227-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.2. ~~(a)~~ If a consolidated fire department is established under section 6.1 of this chapter, the consolidated city, through the consolidated fire department, shall after the consolidation establish, operate, and maintain emergency ambulance services (as defined in IC 16-18-2-107) in the fire special service district and in those townships in the county. that are consolidated under section 6.1 of this chapter.

~~(b) This section does not prohibit the providing of emergency ambulance services under an interlocal agreement under IC 36-1-7.~~

SECTION 8. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.3. (a) A consolidated fire department may not provide fire protection services for:

(1) an excluded city; or

(2) a fire protection territory for which an excluded city is a provider unit (as defined in IC 36-8-19-3);

unless the fire protection services are provided under an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.

(b) For the consolidated fire department to provide fire protection services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:

(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing the consolidation of the fire department of the excluded city into the consolidated fire department.

(2) The ordinances described in subdivision (1) must:

(A) specify the effective date of the consolidation; and

(B) set forth the conditions of the consolidation.

(c) After the effective date of the consolidation described in subsection (b), the consolidated fire department shall provide fire protection services within the territory of the excluded city.

(d) After the effective date of the consolidation described in subsection (b), all the property, equipment, records, rights, and

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contracts of the fire department of the excluded city are transferred to and assumed by the consolidated city. Any balance in an excluded city's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before the effective date of the consolidation shall not be transferred to the consolidated city but shall be transferred first to a dedicated city fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the excluded city has any unfunded liability for pension obligations for its firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the excluded city before the effective date of the consolidation. However, if the excluded city has not established another cumulative fund or rainy day fund before the effective date of the consolidation into which any remaining balance may be transferred, the remaining balance shall instead be transferred to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund. The balances in any rainy day funds established by an excluded city for any purpose are not transferred to the consolidated city.

(e) After the effective date of the consolidation described in subsection (b), the employees of the fire department of the excluded city cease employment with the excluded city and become employees of the consolidated fire department. These employees are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5 upon becoming employees of the consolidated fire department. The consolidated city shall assume all agreements with labor organizations that:

- (1) are in effect after the effective date of the consolidation described in subsection (b); and
- (2) apply to employees of the fire department of the excluded city who become employees of the consolidated fire department.

(f) Except as provided in subsection (h), the consolidated city shall assume, defease, pay, or refund all indebtedness related to fire protection services incurred before the effective date of the consolidation described in subsection (b) by:

- (1) an excluded city; or
- (2) a building, holding, or leasing corporation on behalf of an excluded city;

whose fire department is consolidated into the consolidated fire

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department under subsection (b).

(g) Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness described in subsection (f), the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness.

(h) Notwithstanding subsections (f) and (g), the consolidated city may not assume all or a part of the indebtedness described in subsection (f) that will cause the consolidated city to exceed the limitations on the amount of indebtedness that the consolidated city may incur.

(i) The rights of the trustee and the bondholders with respect to any:

- (1) indebtedness or bonds; or
- (2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in subsection (f);

remain the same, although the powers, duties, agreements, and liabilities of the departments listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all those powers, duties, agreements, and liabilities.

(j) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the excluded city are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively.

(k) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the merit board and merit system of the excluded city's fire department are dissolved, and the duties of the excluded city's merit board are transferred to and assumed by the merit board for the consolidated fire department.

(l) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), commencing with the calendar year following consolidation and for

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each year thereafter, the excluded city's monthly distributive share of county option income tax revenues distributed under IC 6-3.5-6-18.5 shall be reduced by a percentage set forth in the ordinances adopted under subsection (b), and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(m) If an excluded city consolidates its fire department into the consolidated fire department under subsection (b) before December 31, 2010, the excluded city shall appoint one (1) representative to the metropolitan board of fire commissioners as a full voting member.

SECTION 9. IC 36-3-1-6.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.4. (a) This section applies only to a county having a consolidated city and only if a consolidated fire department is established in the county under section 6.1 of this chapter.

(b) As used in this section, "taxing district" refers to the consolidated fire department taxing district established in subsection (c).

(c) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated fire department taxing district is established in the county. The taxing district consists of all territory in the county except territory of an excluded city that has not consolidated its fire department under section 6.3 of this chapter.

(d) The taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

- (1) Providing fire protection services and emergency ambulance services within the territory of the taxing district and providing for the operation of the consolidated fire department.
- (2) Providing any equipment, buildings, or land that is necessary for the consolidated fire department and for providing fire protection services and emergency ambulance services within the territory of the taxing district.

The property tax levy under this section is separate from other property tax levies of the consolidated city, and a separate maximum permissible property tax levy shall be collected for the taxing district. All revenue collected from the tax levied under this subsection shall be deposited in a consolidated fire department

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fund.

(e) The taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

- (1) Any indebtedness assumed, defeased, paid, or refunded under section 6.1 or 6.3 of this chapter.
- (2) Any indebtedness issued by the consolidated city, either before or after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services.

The property tax levy collected under this subsection shall be deposited in a consolidated fire department debt service fund.

(f) Money in the consolidated fire department fund shall be used for the purposes described in subsection (d), and money in the consolidated fire department debt service fund shall be used for the purposes described in subsection (e). The county auditor shall administer the funds and is responsible for the issuance of warrants for payments from the funds. The county auditor may take actions necessary to administer the funds without the approval of the controller of the consolidated city.

(g) Property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who are employees or retired employees of the consolidated city on January 1, 2008, may be levied only by the fire special service district created by section 6 of this chapter within the territory of the fire special service district and may not be levied by the taxing district.

(h) In the case of a township or an excluded city that consolidates its fire department under this section:

- (1) the liability for the payment of pension obligations under IC 36-8-7 for members of the 1937 firefighters fund who are employees or retired employees of the township or excluded city at the time of the consolidation remains with the township or excluded city; and
- (2) property taxes to fund the township's or excluded city's pension obligation described in subdivision (1) may be imposed by the township or excluded city only within the township or excluded city.

(i) For property taxes first due and payable in the first calendar year in which property taxes are imposed by the consolidated city under this section in the taxing district, the maximum permissible ad valorem property tax levy of the taxing district under IC 6-1.1-18.5 is equal to the sum of:

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(1) the sum of the property tax levies for taxes first due and payable in the preceding year for fire protection and related services (excluding debt) by each:

- (A) township;
- (B) airport authority; or
- (C) fire protection territory;

whose fire department is consolidated into the fire department of the consolidated city under section 6.1 of this chapter, excluding amounts paid for pension obligations under IC 36-8-7 for members of the 1937 firefighters fund;

(2) the amount paid from the consolidated city's property tax levy during the preceding year for fire protection and related services (excluding debt); and

(3) the amount paid from the fire special service district's property tax levy during the preceding year for fire protection and related services, excluding amounts paid from the fire special service district's property tax levy to pay the consolidated city's pension obligation under IC 36-8-7 for members of the 1937 firefighters' pension fund.

However, the department of local government finance shall adjust any budgets, tax rates, and tax levies of the consolidated city, townships in the county, the taxing district, excluded cities that have consolidated fire departments under section 6.3 of this chapter, and the airport authority as necessary to reflect the establishment of a consolidated fire department.

(j) For property taxes first due and payable in the first calendar year in which property taxes are imposed by the consolidated city under this section in the taxing district, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

- (1) is decreased for each township, the airport authority, and any fire protection territory by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(1) from the township, airport authority, or fire protection territory;
- (2) is decreased for the consolidated city by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(2); and
- (3) is decreased for the fire special service district by an amount equal to the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(3).

SECTION 10. IC 36-3-2-3.5 IS ADDED TO THE INDIANA CODE

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AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies if:

- (1) a township fire department, fire protection district, or fire protection territory is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1; and
- (2) the township fire department, fire protection district, or fire protection territory has at least one (1) full-time, fully paid firefighter.

(b) A firefighter described in subsection (a)(2) is entitled to employment as a full-time, fully paid firefighter of the fire department of the consolidated city at not less than:

- (1) the same merit or permanent rank; or
- (2) a rank in the merit system of the fire department of a consolidated city that is equivalent to the merit or permanent rank;

that the firefighter held on the later of the date this section was enacted into law or the date the firefighter fills a vacant position through a merit testing process.

(c) The fire department of:

- (1) the consolidated city; and
- (2) the township, fire protection district, or fire protection territory;

may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the consolidation because of or to facilitate the consolidation.

(d) This section does not prohibit a fire department, fire protection district, or fire protection territory from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending, reducing in rank, or discharging the firefighter.

(e) This section does not apply to a firefighter employed by the airport authority on the effective date of the consolidation.

SECTION 11. IC 36-3-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies after June 30, 2006.

(b) As used in this section, "relative" means:

- (1) a husband;
- (2) a wife;
- (3) a father;
- (4) a mother;

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- (5) a son or son-in-law;
- (6) a daughter or daughter-in-law;
- (7) a brother;
- (8) a sister;
- (9) an aunt;
- (10) an uncle;
- (11) a niece; or
- (12) a nephew.

(c) An individual who is a relative of a member of a board, committee, council, or commission or the head of any office, department, or institution may not:

- (1) be employed in any position with the:
 - (A) board, committee, council, or commission of which the individual's relative is a member; or
 - (B) office, department, or institution that is headed by the individual's relative; or
- (2) receive any compensation as an employee for services from any appropriation by a political subdivision subject to this chapter.

(d) An individual may not be employed in a position in which the individual would have a direct supervisory or subordinate relationship with the individual's relative.

(e) This section does not apply to the following:

- (1) An individual employed in the same position with the board, committee, council, commission, office, department, or institution for at least twelve (12) consecutive months immediately before the appointment or election of the individual's relative as a member of the board, committee, council, or commission or head of the office, department, or institution.
- (2) The employment of any law enforcement officer or firefighter who is under the jurisdiction of a merit commission established under IC 36-8-3.5.

(f) This section does not require the termination or reassignment of any employee of a political subdivision from any position held by that individual on and continuously after June 30, 2006."

Delete page 22.

Page 23, delete lines 1 through 18.

Page 24, between lines 21 and 22, begin a new paragraph and insert:
 "SECTION 14. IC 36-3-6-4.1 IS ADDED TO INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. Notwithstanding IC 36-8-7, if a consolidated

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fire department is established under IC 36-3-1-6.1, the city-county legislative body shall adopt an ordinance to levy a property tax only within the fire special service district in the amount and at the rate necessary to produce sufficient revenue to pay amounts required to satisfy the consolidated city's 1937 firefighters' pension fund obligations under IC 36-8-7-14 for persons who are employees or retired employees of the consolidated city on January 1, 2008."

Page 24, delete lines 30 through 42, begin a new paragraph and insert:

"SECTION 16. IC 36-3-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.1, in the name of:

- (1) a township;
 - (2) an airport authority;
 - (3) a fire protection territory; or
 - (4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory;
- to satisfy the requirements of IC 36-3-1-6.1.

(b) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.3 by:

- (1) an excluded city; or
 - (2) a building, holding, or leasing corporation on behalf of an excluded city;
- to satisfy the requirements of IC 36-3-1-6.3.

SECTION 17. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 8. Township Review Board

Sec. 1. This chapter applies only to a county containing a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the township review board established by section 3 of this chapter.

Sec. 3. The township review board is established.

Sec. 4. (a) The board consists of the following members:

- (1) The deputy mayor for public and neighborhood affairs of the consolidated city, who shall serve as the board chairperson.
- (2) The township trustee of each of the nine (9) townships in

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the county.

(3) One (1) member appointed by the president of the city-county council.

(4) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Marion County Alliance of Neighborhood Associations.

(5) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Greater Indianapolis Chamber of Commerce.

(6) One (1) member appointed by the secretary of the Indiana family and social services administration.

(b) An appointing authority must make appointments under subsection (a) not later than July 1, 2006.

(c) The deputy mayor for public and neighborhood affairs must call the first meeting of the board before August 1, 2006. At the first meeting of the board, the members of the board shall elect a chairperson.

(d) If a member ceases to be employed in the position or hold the office required for appointment to the board, the member ceases to be a member of the board, and the original appointing authority shall appoint an individual to serve on the board for the remainder of the board's term.

Sec. 5. (a) A majority of the members appointed to and serving on the board constitutes a quorum for a meeting of the board.

(b) The affirmative vote of a majority of the members appointed to and serving on the board is necessary for the board to take official action.

(c) The board shall meet on the call of the chairperson.

Sec. 6. Members of the board are not entitled to any salary or per diem for participation on the board.

Sec. 7. The board shall do the following:

(1) Conduct field studies and audits to determine how best to serve constituents throughout the county after the consolidation, joint performance, or transfer of city, county, and township functions, taking into account the efficiencies that may be achieved.

(2) Make recommendations concerning the number and location of community resource centers in the county.

(3) Identify city and township services that may be provided jointly or through interlocal cooperation agreements, and make recommendations concerning the joint location of those services with other federal, state, or local government

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agencies.

(4) Identify which of the services provided by the township trustees or recommended to be transferred to township trustees may be located in the community resource centers.

(5) Develop a community education plan to familiarize citizens with the provision of services by various methods throughout the county.

(6) Review functions performed in the county by township trustees under IC 36-6-4-3 and make recommendations concerning any statutory changes necessary to achieve greater efficiency and lower costs in the provision of those services.

(7) Identify any services performed by the state under IC 12-8 that should be transferred to or administered jointly with townships in the county.

(8) Review the operation of small claims courts in the county.

(9) Study and make recommendations concerning the role and composition of the existing township board structure.

(10) Provide a report before December 31 of each year to the legislative body of the county containing a consolidated city and in an electronic format under IC 5-14-6 to the legislative council.

Sec. 8. (a) The board is abolished December 31, 2008.

(b) This chapter expires January 1, 2009.

SECTION 18. IC 36-6-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The executive may use the township's share of state, county, and township tax revenues and federal revenue sharing funds for all categories of community services, if these funds are appropriated for these services by the township legislative body. The executive may use these funds for both operating and capital expenditures.

(b) With the consent of the township legislative body, the executive may contract with corporations for health and community services not specifically provided by another governmental entity.

(c) **Except in a township located in a county having a consolidated city after the effective date of the consolidation of fire departments under IC 36-3-1-6.1,** the executive may contract with a private person to provide regular or emergency ambulance service within the township. The contract may provide for the imposition and collection of fees for this service.

(d) **Except in a township located in a county having a consolidated city after the effective date of the consolidation of fire departments under IC 36-3-1-6.1,** the township legislative body may

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adopt a resolution to provide for the imposition and collection of fees for ambulance services provided by the township police or fire department.

SECTION 19. IC 36-8-4.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to a police ~~or fire~~ special service district created by IC 36-3-1-6 **and to a consolidated fire department established under IC 36-3-1-6.1.**

SECTION 20. IC 36-8-4.3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A special service district **or a consolidated fire department established under IC 36-3-1-6.1** shall pay for the care of:

(1) a full-time, paid police officer who:

- (A) suffers an injury; or
- (B) contracts an illness;

during the performance of the officer's duty; or

(2) a full-time, paid firefighter who:

- (A) suffers an injury; or
- (B) contracts an illness;

during the performance of the firefighter's duty.

(b) The special service district **or the consolidated fire department established under IC 36-3-1-6.1** shall pay for the following expenses incurred by a police officer or firefighter described in subsection (a):

- (1) Medical and surgical care.
- (2) Medicines and laboratory, curative, and palliative agents and means.
- (3) X-ray, diagnostic, and therapeutic service, including during the recovery period.
- (4) Hospital and special nursing care if the physician or surgeon in charge considers it necessary for proper recovery.

(c) Expenditures required by subsection (a) shall be paid from the general fund of the special service district.

(d) A special service district **or a consolidated fire department established under IC 36-3-1-6.1** that has paid for the care of a police officer or firefighter under subsection (a) has a cause of action for reimbursement of the amount paid under subsection (a) against any third party against whom the police officer or firefighter has a cause of action for an injury sustained because of, or an illness caused by, the third party. The special service district's **or consolidated fire department's** cause of action under this subsection is in addition to, and not in lieu of, the cause of action of the police officer or firefighter against the third party.

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SECTION 21. IC 36-8-8-1, AS AMENDED BY P.L.227-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to:

- (1) full-time police officers hired or rehired after April 30, 1977, in all municipalities, or who converted their benefits under IC 19-1-17.8-7 (repealed September 1, 1981);
- (2) full-time fully paid firefighters hired or rehired after April 30, 1977, or who converted their benefits under IC 19-1-36.5-7 (repealed September 1, 1981);
- (3) a police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996;
- (4) a park ranger who:
 - (A) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
 - (B) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
 - (C) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);
- (5) a full-time fully paid firefighter who is covered by this chapter before the effective date of consolidation and becomes a member of the fire department of a consolidated city under IC 36-3-1-6.1 ~~provided that~~ **or IC 36-3-1-6.3; however**, the firefighter's service as a member of the fire department of a consolidated city is considered active service under this chapter;
- (6) except as otherwise provided, a full-time fully paid firefighter who is hired or rehired after the effective date of the consolidation by a consolidated fire department established under IC 36-3-1-6.1;
- (7) a full-time police officer who is covered by this chapter before the effective date of consolidation and becomes a member of the consolidated law enforcement department as part of the consolidation under IC 36-3-1-5.1, provided that the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter; and
- (8) except as otherwise provided, a full-time police officer who is hired or rehired after the effective date of the consolidation by a consolidated law enforcement department established under

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IC 36-3-1-5.1;

except as provided by section 7 of this chapter.

SECTION 22. IC 36-8-8-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) As used in this chapter, "local board" means the following:

(1) For a unit that established a 1925 fund for its police officers, the local board described in IC 36-8-6-2.

(2) **Except as provided in subdivision (3),** for a unit that established a 1937 fund for its firefighters, the local board described in IC 36-8-7-3.

(3) For a unit that established a 1937 fund for its firefighters and consolidates its fire department into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:

(A) before the date the consolidation is effective, the local board described in IC 36-8-7-3; and

(B) on and after the date the consolidation is effective, the local board of the consolidated city established under IC 36-8-7-3.

~~(3)~~ (4) For a consolidated city that established a 1953 fund for its police officers, the local board described in IC 36-8-7.5-2.

~~(4)~~ (5) For a unit, other than a consolidated city, that did not establish a 1925 fund for its police officers or a 1937 fund for its firefighters, the local board described in subsection (b) or (c).

(b) If a unit did not establish a 1925 fund for its police officers, a local board shall be composed in the same manner described in IC 36-8-6-2(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(c) **Except as provided in subsection (d),** if a unit did not establish a 1937 fund for its firefighters, a local board shall be composed in the same manner described in IC 36-8-7-3(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(d) If a unit located in a county containing a consolidated city did not establish a 1937 fund for its firefighters and consolidates its fire department into the fire department of the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3, the local board is:

(1) before the effective date of the consolidation, the local board described in IC 36-8-7-3; and

(2) on and after the effective date of the consolidation, the local board of the consolidated city established under IC 36-8-7-3.

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SECTION 23. IC 36-8-8-7, AS AMENDED BY P.L.227-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in subsections (d), (e), (f), (g), (h), (k), (l), **and** (m): ~~and (n):~~

- (1) a police officer; or
- (2) a firefighter;

who is less than thirty-six (36) years of age and who passes the baseline statewide physical and mental examinations required under section 19 of this chapter shall be a member of the 1977 fund and is not a member of the 1925 fund, the 1937 fund, or the 1953 fund.

(b) A police officer or firefighter with service before May 1, 1977, who is hired or rehired after April 30, 1977, may receive credit under this chapter for service as a police officer or firefighter prior to entry into the 1977 fund if the employer who rehires the police officer or firefighter chooses to contribute to the 1977 fund the amount necessary to amortize the police officer's or firefighter's prior service liability over a period of not more than forty (40) years, the amount and the period to be determined by the PERF board. If the employer chooses to make the contributions, the police officer or firefighter is entitled to receive credit for the police officer's or firefighter's prior years of service without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and
- (3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);

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(3) was rehired after April 30, 1977, but before February 1, 1979;
and

(4) was made, before February 1, 1979, a member of a 1925, 1937, or 1953 fund.

(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

(1) was hired by the police or fire department of a unit before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);

(3) is rehired by the police or fire department of another unit after December 31, 1981; and

(4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

If the police officer or firefighter is made a member of a 1925, 1937, or 1953 fund, the police officer or firefighter is entitled to receive credit for all the police officer's or firefighter's years of service, including years before January 1, 1982.

(g) As used in this subsection, "emergency medical services" and "emergency medical technician" have the meanings set forth in IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

(1) is employed by a unit that is participating in the 1977 fund;

(2) was employed as an emergency medical technician by a political subdivision wholly or partially within the department's jurisdiction;

(3) was a member of the public employees' retirement fund during the employment described in subdivision (2); and

(4) ceased employment with the political subdivision and was hired by the unit's fire department due to the reorganization of emergency medical services within the department's jurisdiction;

shall participate in the 1977 fund. A firefighter who participates in the 1977 fund under this subsection is subject to sections 18 and 21 of this chapter.

(h) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the individual was appointed as:

(1) a fire chief under a waiver under IC 36-8-4-6(c); or

(2) a police chief under a waiver under IC 36-8-4-6.5(c);

unless the executive of the unit requests that the 1977 fund accept the individual in the 1977 fund and the individual previously was a

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member of the 1977 fund.

(i) A police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996, is a member of the 1977 fund.

(j) A park ranger who:

- (1) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
- (2) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
- (3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or firefighter:

- (1) who is a member of the 1977 fund before a consolidation under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**
- (2) whose employer is consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;** and
- (3) who, after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or firefighter who:

- (1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1, provides law enforcement services or fire protection services for an entity in a consolidated city;
- (2) has the provision of those services consolidated into the **consolidated law enforcement department or the** fire department of a consolidated city **under IC 36-3-1-5.1 or IC 36-3-1-6.1;** and
- (3) after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

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is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l):

(1) may not be:

~~(1)~~ (A) retired for purposes of section 10 of this chapter; or

~~(2)~~ (B) disabled for purposes of section 12 of this chapter; solely because of a change in employer under the consolidation; and

(2) shall receive credit for all years of service as a member of the 1977 fund before the consolidation described in subsection (k) or (l).

SECTION 24. IC 36-8-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to all units except counties. **However, this chapter applies to a county containing a consolidated city if a consolidated fire department is established under IC 36-3-1-6.1.**

SECTION 25. IC 36-8-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this chapter, the legislative body may levy a tax on all taxable property within the ~~taxing district unit, fire protection district, or territory of a consolidated fire department taxing district~~ in compliance with IC 6-1.1-41. The tax rate may not exceed three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of assessed valuation of property in the ~~taxing district unit, fire protection district, or consolidated fire department taxing district.~~

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as:

(1) the "building or remodeling, firefighting, and police radio equipment fund" in the case of a municipality **or consolidated fire department taxing district;** or as

(2) the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.

(c) **Notwithstanding IC 6-1.1-41 or any other law, if a consolidated fire department is established under IC 36-3-1-6.1:**

(1) a cumulative building and equipment fund is established for the county containing a consolidated city; and

(2) the legislative body of the county containing a consolidated city may levy a tax under this chapter beginning in the calendar year following the year in which the consolidated fire department is established.

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A tax levied under this chapter by a county containing a consolidated city may only be levied within the territory of the consolidated fire department taxing district.

SECTION 26. [EFFECTIVE UPON PASSAGE] The general assembly finds that the consolidated city and townships in the county containing a consolidated city are unique because of their size, population density, and absence of unincorporated areas.

SECTION 27. [EFFECTIVE UPON PASSAGE] The legislative services agency shall prepare legislation for introduction in the 2007 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.

SECTION 28. An emergency is declared for this act."

Delete pages 25 through 35.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 1 as printed January 27, 2006.)

BUCK, Chair

Committee Vote: yeas 9, nays 0.

HOUSE MOTION

Mr. Speaker: I move that Engrossed House Bill 1 be amended to read as follows:

Page 7, line 3, after "city." insert **"If a member serving under this subdivision ceases to be a township trustee, the new township trustee becomes a member of the board in place of the previous township trustee."**

Page 8, between lines 12 and 13, begin a new line block indented and insert:

"(3) The board shall approve all equipment purchases of more than fifty thousand dollars (\$50,000) for the consolidated fire department and all facility purchases for the consolidated fire department.

(4) The board shall nominate two (2) candidates for fire chief of the consolidated fire department. The mayor shall nominate a candidate for fire chief of the consolidated fire department. The board shall review the nominations and provide any comments concerning the nominations to the mayor. The mayor shall select a fire chief from the nominated



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candidates."

Page 8, line 13, delete "(3)" and insert **"(5)"**.

Page 8, line 23, delete "(4)" and insert **"(6)"**.

Page 8, delete lines 26 through 30.

Page 9, line 2, delete "revert" and insert **"are transferred to"**.

Page 9, line 2, delete "government body or".

Page 9, line 3, after "responsibility" insert **"for the fire department of the consolidated city"**.

Page 10, line 9, after "Township" insert **"."**.

Page 10, line 9, delete "and" and insert **"the Emergency Services Education Center and any debt related to the Emergency Services Education Center"**.

Page 10, line 18, after "2008" delete "." and insert **", or a later effective date of the consolidation as authorized under subsection (e). However, an employee may not become an employee of the consolidated fire department under this subsection unless the employee has completed a criminal history background check."**

Page 18, line 3, delete "The" and insert **"Subject to subsection (f), the"**.

Page 18, line 19, delete "The" and insert **"Subject to subsection (f), the"**.

Page 18, between lines 29 and 30, begin a new paragraph and insert:

"(f) This subsection applies only during the first four (4) calendar years that the taxing district levies a property tax under this section. Notwithstanding any other statute, the total property tax rate imposed by the taxing district for a year in those parts of the taxing district that are within a particular township, but not within the boundaries of the fire special service district, may not exceed the total property tax rate imposed by the township (and a fire protection territory in the township) for fire protection services (including property taxes imposed for debt related to fire protection services) in the year preceding the year in which the taxing district first levies a property tax under this section."

Page 18, line 30, delete "(f)" and insert **"(g)"**.

Page 18, line 33, delete "county auditor" and insert **"controller of the consolidated city"**.

Page 18, line 35, delete "The county auditor may".

Page 18, delete lines 36 through 37.

Page 18, line 38, delete "(g)" and insert **"(h)"**.

Page 19, line 2, delete "(h)" and insert **"(i)"**.

Page 19, line 13, delete "(i)" and insert **"(j)"**.

Page 19, line 14, delete "by the consolidated city".

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Page 20, line 1, delete "(j)" and insert "(k)".

Page 20, line 2, delete "by the consolidated city".

Page 20, line 8, delete "(i)(1)" and insert "(j)(1)".

Page 20, line 12, delete "(i)(2)" and insert "(j)(2)".

Page 20, line 16, delete "(i)(3)" and insert "(j)(3)".

Page 20, between lines 16 and 17, begin a new paragraph and insert:

"(l) The maximum levy for a consolidated city is increased for property taxes first due and payable in the year that property taxes are first imposed under this section and each subsequent calendar year by an amount equal to the lesser of:

(1) the difference between:

(A) the maximum levy for the current year for the consolidated city's fire special service district created under IC 36-3-1-6; and

(B) the amount levied for the current year for the fire special service district; or

(2) ten percent (10%) of the maximum levy for the consolidated city's fire special service district created under IC 36-3-1-6 for property taxes first due and payable in the year that property taxes are first imposed under this section."

Page 20, line 35, after "process." insert **"Ranks achieved after the passage of Senate Enrolled Act 1 of the 2006 regular session of the general assembly may be reviewed by the merit board to determine if those ranks were achieved through a bona fide merit process."**

Page 21, line 1, after "consolidation" delete "." and insert **", except as negotiated in an agreement between the consolidated city and the bargaining unit representing firefighters."**

Page 21, line 12, after "2006." insert **"This section applies to all political subdivisions in Marion County."**

Page 24, line 22, delete ", who shall serve as the board" and insert **"."**

Page 24, delete line 23.

Page 24, line 26, delete "One (1) member" and insert **"Two (2) members, who must represent different political parties,"**

(Reference is to ESB 1 as printed February 24, 2006.)

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